

Michigan Department of Community Health

PACE ELIGIBILITY AND ENROLLMENT PROCESS

BENEFICIARY ELIGIBILITY AND ENROLLMENT PROCESS

There are seven necessary components of the PACE eligibility and enrollment process:

- **Determination of Medicaid Eligibility**
Medicaid payment for PACE services requires a determination of Medicaid eligibility by MDCH for Wayne County. The Family Independence Agency is responsible for determinations in all other Michigan counties.
- **Applicants Age 55 Years or Older**
The specific aim of PACE is to provide services for the older population. This age restriction is mandated by federal PACE requirements.
- **Residence in the Service Area of a PACE Organization**
- **Ability to live safely in the Community**
At time of enrollment, a PACE participant must be capable of safely residing in the community without jeopardizing health or safety while receiving services offered by the PACE organization.
- **Assessment by a Interdisciplinary Team**
Program enrollment requires a comprehensive assessment of participant needs by an interdisciplinary team.
- **Appropriate Placement Based on Completion of the Michigan Medicaid Nursing Facility Level of Care Determination**
The PACE organization must verify beneficiary appropriateness for services by completing an electronic web-based version of the Michigan Medicaid Nursing Facility Level of Care Determination form. MDCH will not reimburse services under Medicaid when the beneficiary does not meet the established criteria identified through the tool or the NF LOC Exception Process.

The Michigan Medicaid Nursing Facility Level of Care Determination form and the Field Definition Guidelines are attached (Attachments A and B).

The Michigan Medicaid Nursing Facility Level of Care Determination must be completed by a health professional (physician, registered nurse, licensed practical nurse, clinical social worker (BSW or MSW), or physician assistant) representing the proposed provider. Nonclinical staff may perform the evaluation when clinical oversight by a professional is performed. The PACE organization will be held responsible for enrolling only those participants who meet the criteria outlined in this bulletin.

For participants currently enrolled in PACE on November 1, the Michigan Medicaid Nursing Facility Level of Care Determination must be applied for no later than the date of the next annual assessment.

The Michigan Medicaid Nursing Facility Level of Care Determination must be completed using the electronic web-based form in the following situations:

- all new enrollments of Medicaid-eligible beneficiaries
- re-enrollment of Medicaid-eligible beneficiaries
- **Provision of Timely and Accurate Information to Support Informed Choice for all Appropriate Medicaid Options for Long Term Care**
The Process Guidelines define required process steps for use of the electronic web-based form and application of the criteria, informed choice, and specific discharge planning requirements. The Process Guidelines are available on the [Michigan Medicaid Nursing Facility Level of Care Determination](#).

The revised functional/medical criteria include seven domains of need:

- Activities of Daily Living,
- Cognitive Performance,
- Physician Involvement,
- Treatments and Conditions,
- Skilled Rehabilitation Therapies,
- Behavior, and
- Service Dependency.

For participants who qualify under only three of these domains (Physician Involvement, Treatments and Conditions, and Skilled Rehabilitation Therapies), specific restorative nursing plans and assertive discharge planning must be evident and documented within the medical record (except for end-of-life care). These requirements are specified in the Process Guidelines.

The electronic web-based tool must be completed only once for each admission or readmission to the program.

NURSING FACILITY LEVEL OF CARE DETERMINATION EXCEPTION PROCESS (NF LOC EXCEPTION PROCESS)

An exception process is available for those applicants who have demonstrated a significant level of long term care need but do not meet the Michigan Medicaid Nursing Facility Level of Care Criteria. The Nursing Facility Level of Care Exception Process is initiated when the prospective provider telephones MDCH or its designee and requests review after the applicant has been determined ineligible using the electronic web-based tool. The NF LOC Exception criteria is available on the MDCH website at www.michigan.gov/mdch, select "Providers," "Information for Medicaid Providers," "[Michigan Medicaid Nursing Facility Level of Care Determination](#)." To request a NF LOC Exception review, providers view contact information on the above website.

TELEPHONE INTAKE GUIDELINES

The Telephone Intake Guidelines is a list of questions that identify potential PACE participants for further assessment. The Telephone Intake Guidelines do not determine program eligibility. Use of the Telephone Intake Guidelines is at the discretion of the PACE organization. The guidelines are available on the MDCH website at www.michigan.gov/mdch, select "Providers," "Information for Medicaid Providers," "[Michigan Medicaid Nursing Facility Level of Care Determination](#)."

ANNUAL RECERTIFICATION

PACE participants must undergo annual re-certification to establish that they continue to meet functional/medical eligibility requirements as required by federal regulation; however, participants must meet the nursing facility level of care definition on an ongoing basis for services to be reimbursed by

Medicaid. The electronic web-based form must be completed only once for each admission. Initial comprehensive assessments, reassessments and progress notes must demonstrate that the participant has met the criteria on an ongoing basis.

The PACE federal regulation allows for continuing eligibility of those individuals who are determined through the annual recertification process to no longer meet the nursing facility level of care requirement if, in the absence of continued coverage under PACE, the individual would reasonably be expected to again meet the nursing facility level of care in the next six months.

RETROSPECTIVE REVIEW AND MEDICAID RECOVERY

At random and whenever indicated, MDCH will perform retrospective reviews to validate the Michigan Medicaid Nursing Facility Level of Care Determination. If the participant is found to be ineligible for PACE services, MDCH will recover all Medicaid payments made for PACE services rendered during the period of ineligibility.

ADVERSE ACTION NOTICE

When the provider determines that the applicant or current participant does not qualify for services based on the Michigan Medicaid Nursing Facility Level of Care Determination, the provider must immediately issue an adverse action notice to the applicant or his authorized representative. The provider must also offer the applicant referral information about services that may help meet his needs.

As with any benefit denial, the beneficiary may request an administrative hearing. The Administrative Tribunal Policies and Procedures Manual explains the process by which each different case is brought to completion. The manual is available for review on the MDCH website. (Refer to the Directory Appendix of the Medicaid [Provider Manual](#) for [Administrative Tribunal](#) contact and website information.)

IMMEDIATE REVIEW-ADVERSE ACTION NOTICES

MDCH or its designee will review all pre-admission or continued stay adverse action notices upon request by a Medicaid beneficiary or his representative. When a beneficiary requests an immediate review before noon of the first working day after the date of receipt of the notice:

- MDCH or its designee will request that the PACE organization provide pertinent information by close of business the first working day after the date the beneficiary requests an immediate review.
- MDCH or its designee will review the records, obtain information from the beneficiary or beneficiary representative, and notify the beneficiary and the provider of the determination by the first full working day after the date of receipt of the beneficiary request and the required medical records.

The beneficiary (or representative) may still request an MDCH appeal of the Michigan Medicaid Nursing Facility Level of Care Determination.

FREEDOM OF CHOICE

When an applicant has been qualified to receive services under the nursing facility level of care criteria, he must be informed of his benefit options and elect, in writing, to receive services in a specific program. This election must take place prior to initiating PACE services.

The applicant, or legal representative, must be informed of the following:

- services available under PACE
- services available in other community settings, such as the MI Choice Program

- services available through Medicaid-reimbursed nursing facilities

If applicants are interested in nursing facility or other community-based care, the PACE organization must provide appropriate referral information using the Access Guidelines to Medicaid Services for Persons with Long Term Care Needs (Attachment F). These guidelines are available on the MDCH website at www.michigan.gov/mdch, select "Providers," "Information for Medicaid Providers," "[Michigan Medicaid Nursing Facility Level of Care Determination](#)."

Applicants must indicate their choice of program in writing by signing the Freedom of Choice form which is witnessed by the applicant's representative. A copy of the completed form must be retained for a period of three years for non-enrollees. The completed form must be kept in the medical record if the applicant chooses to receive PACE services.

A copy of this form is included with the revised criteria.

APPLICANT APPEALS

Financial Eligibility

A determination that an applicant is financially not eligible for Medicaid is an adverse action. Applicants may appeal such an action to the Michigan Department of Community Health.

Functional/Medical Eligibility

A determination that an applicant is functionally/medically not eligible for PACE services is an adverse action. If the applicant and/or representative disagrees with this determination, they have the right to request an administrative hearing before an administrative law judge. Information regarding the appeal process may be found at the Administrative Tribunal portion of the MDCH website. Applicants may appeal such an action to MDCH for Wayne County determinations and to FIA for determinations in all counties. (Refer to the Directory Appendix of the Medicaid Provider Manual for website information.)

PROVIDER APPEALS

A retrospective determination that a participant is ineligible for PACE services, based on review of the functional/medical screening, is an adverse action for the PACE organization if MDCH proposes to recover payments made. If the PACE organization disagrees with this determination, an appeal may be filed with MDCH. (Refer to the Directory Appendix of the [Medicaid Provider Manual](#) for contact information for the [Administrative Tribunal](#).)